





Virginia Housing Development Authority (VHDA) was created in 1972 to provide affordable mortgages to low to moderate income Virginia residents. VHDA sells tax-exempt mortgage bonds & is an approved seller to GNMA & FNMA securities.

VHDA receives no federal or state funding. VHDA is an authority of the Commonwealth of Virginia.

What Do We Do?

- **Provide and service mortgages, primarily for first-time homebuyers and developers of quality rental housing**
- **Teach free homeownership education classes**
- **Work with lenders, REALTORS, developers, local governments, community service organizations & other groups to help put quality housing within the reach of every Virginian.**

How Do We Do It?

- Approved Lender Network
- Direct Channel
- In-house servicing



Borrower Eligibility Requirements

To be eligible for a VHDA loan, all borrowers and non-borrowers on title must be first-time homebuyers

VHDA's definition of a first time homebuyer is an individual who hasn't had an ownership interest in their primary residence within the last three years.

First-Time Homebuyer Exceptions

- Homebuyers who have owned a manufactured home in the past 3 years, but it was non-fixed to a permanent foundation.
- Homebuyers who own rental property, etc., as long as they have not lived in the property for the past 3 years.
- Conventional programs (without MCC, DPA Grant or Plus 2nd Mortgage)
- Homebuyers buying in Areas of Economic Opportunity aka Federal Targeted Areas).

Income/Sales Price/Loan Amount Limits

Area	Maximum Gross Household Income				Sales Price/Loan Limits
	2 or Fewer People		3 or More People		New & Existing Construction
	Standard	With VHDA DPA or CCA Grant	Standard	With VHDA DPA or CCA Grant	
Washington-Arlington-Alexandria	\$138,200	\$110,500	\$161,300	\$129,000	\$525,000
Charlottesville	\$90,000	\$72,000	\$105,000	\$84,000	\$375,000
Richmond	\$98,400	\$78,700	\$114,900	\$91,900	\$425,000
Norfolk-VA Beach-Newport News	\$90,400	\$72,300	\$105,400	\$84,300	\$390,000
Culpeper	\$92,300	\$73,800	\$107,700	\$86,100	\$450,000
Rappahannock	\$88,500	\$70,800	\$103,300	\$82,600	
Warren	\$86,200	\$68,900	\$100,600	\$80,400	
King George	\$92,600	\$74,000	\$106,900	\$85,500	\$300,000
All Other Areas of Virginia	\$84,000	\$67,200	\$96,600	\$77,200	\$270,000

Homeownership Education

- **Homebuyer Education is required for all borrowers that are first-time homebuyers**
 - Fannie Mae Variance: Required for **one of all** first-time homebuyers unless originated with DPA Grant, Plus Second, &/or MCC
- Complete VHDA course, HUD Approved Counseling Agency course, or Fannie Mae Framework course
- VHDA course is online or in person
- Homebuyer Education Certificate is valid for 2 years
- Contact: housingeducation@vhda.com

Credit Underwriting Requirements

- VHDA generally underwrites to Agency guidelines with very few exceptions!
- All loan programs have a maximum DTI of 45.00000%
- Minimum credit scores required:
 - 620 on FHA/VA/USDA,
 - 640 on Conventional Reduced MI
 - 660 on Conventional No MI

Types of Financing VHDA Offers

- FHA Fixed
- VA Fixed
- RHS Fixed

- Plus Second Mortgage

- Fannie Mae Reduced MI
- Fannie Mae No MI



Government Insured Programs

- FHA/VA/RHS loans – 96.5%/100%/100% LTV
- Follow industry guidelines – Ginnie Mae pools
- 620 credit score minimum, 45% max DTI
- First-time buyer requirement



U.S. Department
of Veterans Affairs



Committed to the future of rural communities.

Fannie Mae Programs

- No MI & Reduced MI loans – 97% LTV
- Follow industry guidelines
- 660/640 credit score minimum, 45% max DTI
- Repeat buyers allowed
- Limited cash-out refinances permitted



Plus Second Mortgage

- Second mortgage that allows for 100-101.50% maximum financing
- 30 yr fixed rate
- First-time buyer program
- Can be used with other non-VHDA DPA grants



Plus Second Mortgage

Helping with the entire down payment!

- **Eligible VHDA First Mortgage Purchase Programs:**

- Fannie Mae No MI & Reduced MI
- FHA

(Ineligible: RD, VA, refinances, & non-VHDA first mortgages)

- **Max Second LTV:**

LTV	Program	Credit Score
3%	Fannie Mae	< 680
3.5%	FHA	
4.5%	Fannie Mae	>/= 680
5%	FHA	

**Additional 1.5% for closing costs*

**All borrowers must have 680 credit score for additional closing cost funds*

Specialty Programs

**Mortgage
Credit
Certificate
Program**


DownPaymentGrant





DPA Grant

Helping with the down payment!

- **Eligible VHDA First Mortgage Purchase Programs:**
 - Fannie Mae No MI & Reduced MI
 - FHA

(Ineligible: RD, VA, refinances, & non-VHDA first mortgages)
- **Maximum Grant Amount:**

Amount:	Program:
2%	Fannie Mae
2.5%	FHA

**Lesser of sales price or appraised value*

Closing Cost Assistance Grant Program!

- **Eligible VHDA First Mortgage Purchase Programs:**
 - USDA
 - VA
 - *(Ineligible: Fannie Mae, FHA, non-VHDA mortgages, refinances)*
- **Maximum Grant Amount: 2% of the lesser of the purchase price or appraised value**
- **Can be used only for closing costs, discount points, prepaids and upfront USDA Guarantee and VA Funding Fees**



MCC

- Dollar-for-dollar credit against a tax liability
- Equal to 20% of the annual mortgage interest paid (the remaining 80% is still a tax deduction)
- Can be used with standard deduction/itemized return
- Effective for the life of the mortgage as long as the borrower lives in the home
- Available on all our purchase products – first time buyer

MCC Videos





Thank you for time!